GOVERNMENT OF INDIA
FINANCE
LOK SABHA

UNSTARRED QUESTION NO:2255
ANSWERED ON:06.05.2016
FDI
Khadse Smt. Raksha Nikhil

Will the Minister of FINANCE be pleased to state:

(a) whether the Government has been liberalising the Foreign Direct Investment (FDI) regime and has brought number of sectors under the automatic route, if so, the details of the sectors requiring approval of Foreign Investment Promotion Board (FIPB); and
(b) whether the Government analysed increase in FDI investments through this automatic route, if so, the details thereof?

Answer

Minister of State in the Ministry of Finance (SHRI JAYANT SINHA)
(a) Government has put in place a policy framework on Foreign Direct Investment (FDI), which is transparent, predictable and easily comprehensible. The Department of Industrial Policy & Promotion (DIPP), makes policy announcements on FDI through Press Notes/Press Releases which are notified by Reserve Bank of India as amendments to the Foreign Exchange Management (Transfer or Issue of Security of Persons Resident Outside India) Regulations, 2000.
Foreign investment in most of the sectors is already under automatic route and Government approval is required for only few sectors which are listed in the Consolidated FDI policy Circular of 2015 as amended from time to time through Press Notes. All these are available on the website of Department of Industrial Policy and Promotion (DIPP) at www.dipp.nic.in? Acts and Rules ? Press Notes/FDI Circular.

(b) FDI Data is compiled by DIPP. The last five years data on FDI equity inflows under automatic route and data on total FDI inflows are given as below:
Statement on Financial Year Wise FDI Equity Inflows
(Amount in US$ million)
Sl. No. Financial year FDI equity reported through RBI Automatic route % Growth w.r.t. the preceding financial year Amount of total FDI inflows # % Growth w.r.t. the preceding financial year
1. 2010-11 19,437.16 -13% 34,847 (-) 08%
2. 2011-12 32,073.72 65% 46,556 (+) 34%
3. 2012-13 19,505.75 -39% 34,298 (-) 26%
4. 2013-14 23,113.93 18% 36,046 (+) 05%
5. 2014-15 28,711.65 24% 44,291 (+) 23%
6. 2015-16 34,058.32
(upto Feb, 16) 27%* 40,823
(upto Dec, 15)
*Compared with figures of upto February, 2015 i.e. US$ 26,835.98 million
Provisional data